



DATE: April 3, 2013

FOR IMMEDIATE RELEASE

Contact: Vince Plymell, Division of Insurance

Office phone: 303-894-2261

Vincent.plymell@state.co.us

Mitigation is the key to reducing wildfire threat

By Jim Riesberg

Colorado Commissioner of Insurance

Colorado Department of Regulatory Agencies

The 2012 wildfire season was the worst in Colorado history, with more than 650 homes destroyed in four major fires, six fatalities, and damage estimates in excess \$500 million. Fire season in Colorado can have a devastating effect on entire communities. The insurance experts at DORA have developed a series of fire mitigation and insurance tips to help Coloradans better cope with natural and man-made disasters.

Although insurance can provide some financial security for your family, fire prevention should always be your top priority. Adding fire-resistant features may entitle homeowners to discounts on future insurance premiums. In Colorado, insurance companies generally ask homeowners to mitigate fire hazards on their property in accordance with Colorado's "Are You FireWise?" program, as well as local fire codes. The following are common sense steps homeowners can take to mitigate the wildfire risk around their homes.

- Use fire-resistant materials in the structure of your home, especially the roof, which is most vulnerable.
- Clear a safety zone around your home and remove trees, leaves, brush and pine needles. Clear at least 100 feet, but 200 – 500 feet is recommended. Also remove overhanging tree branches near your home.
- Be sure propane or fuel tanks are at least 30 feet away from all structures.
- Inside your home, keep smoke detectors and fire extinguishers working properly.
- Acquire a water storage tank if you do not have access to a community water system or water hydrant. Have garden hoses that reach all areas of the property. Keep them visible and in accessible areas.
- Be sure your entrance road is accessible. Inaccessible roads can prevent fire-fighting equipment from reaching your home quickly. The street address should be easily viewable from the entrance to the property so emergency responders are not delayed.

-MORE-

PAGE TWO – Wildfire mitigation

Most Coloradans do not need special insurance for wildfires because this type of disaster is covered under the fire damage provisions of a basic homeowner's policy. However, the insurance coverage you need depends upon many factors, including the type of home or building you own, its contents, and whether you have a home-based business. Along with wildfire mitigation, insurance companies also consider other factors such as the type of construction and materials of your home, and the distance to a fire hydrant or fire station. Read your policy and talk to your agent to make sure you have the proper coverage for your property before a fire hits.

- Know if your policy is set up to cover contents on the basis of “replacement cost” - coverage pays actual costs to replace lost items, minus the policy deductible – or “actual cash value” - coverage pays only for what your property was worth at the time it was damaged or destroyed, minus the deductible. Your policy should also take into account the cost of cleanup, especially after a wildfire.
- Review your policy annually to make sure it keeps pace with construction costs.
- You should have a home inventory, as only an owner knows what's been lost as a result of a fire, theft or other damages. The DOI has developed a Home Inventory Checklist for you to download, available by visiting www.dora.colorado.gov/insurance, and clicking on “Disasters, Severe Weather and Insurance Claims.” In addition, the National Association of Insurance Commissioners (NAIC) has created a smartphone app to help homeowners and renters develop a Home Inventory Checklist. Find information on the app at www.naic.org, under the “Consumer Resources” tab.
- Provide enough information to the agent or insurance company to make sure you purchase the right coverage. Be sure that you fully understand the contract you sign. Keep your insurance agent or company updated on any changes that will impact the coverage.

In January 2013, Governor John Hickenlooper created [the Task Force on Wildfire Insurance and Forest Health](#) as part of a statewide effort to examine how best to protect people and property within and adjacent to the wildland-urban interface (WUI). The task force will review issues regarding insurance coverage at the 2012 fires, and will explore how to provide a better understanding of insurance coverage for policy holders.



The DORA's Division of Insurance has experts available by phone to answer questions about insurance, and insurance agents, and insurance companies. Call 303-894-7490 / 1-800-930-3745 (outside of the Denver metro area). Information is also available at www.dora.colorado.gov/insurance, in the “Consumer” tab.

###